

# TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman  
Lynn Greer, Director  
Melvin Malone, Director



460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

## MEMORANDUM

TO: Chairman Sara Kyle  
Director Lynn Greer  
Director Melvin Malone

FROM: Eddie Roberson, Chief, Consumer Services Division *ER*  
Ed Mimms, Manager, Do Not Call Program *EM*  
Lynn Questell, Counsel *LQ*

DATE: December 7, 2001

SUBJECT: Settlement with Metropolitan Property and Casualty Insurance Company  
(Docket No. 01-00917)

Attached is a Settlement Agreement between the Consumer Services Division ("Staff") and Metropolitan Property and Casualty Insurance Company (referred hereafter as "Metropolitan") for violations of the Tennessee Do-Not-Call Telephone Sales Solicitation statute, TCA § 65-4-401 *et seq.* Metropolitan registered with the Tennessee Regulatory Authority ("Authority") as a solicitor on June 11, 2001.

Three (3) separate complaints have been registered against Metropolitan with the Authority alleging that the company violated TCA § 65-4-401 *et seq.* This Settlement requires the company to make a payment of \$4,000 to the Authority along with assurances from the company that it will fully comply with applicable state law. The terms of this Settlement require the company to pay the \$4,000 to the Authority within 30 days of Authority ratification of the Settlement.<sup>1</sup> A representative of Metropolitan will be available telephonically at the December 18, 2001 Conference to answer any question you may have.

Considering all relevant facts, the Staff believes the terms of this Settlement are fair and reasonable and should have the result of no additional telemarketing complaints being filed against Metropolitan.

Staff submits the attached Settlement Agreement for your deliberation at the December 18, 2001 Authority Conference.

cc: David Waddell, Executive Secretary  
Richard Collier, General Counsel  
Leslie A.E. Battle, Metropolitan Counsel

<sup>1</sup> Metropolitan submitted the payment of \$4,000 along with the signed Settlement Agreement. The check was processed by the TRA on 11-27-01. The funds will be refunded to Metropolitan if the Settlement is not approved.

700 Quaker Lane, PO Box 350, Warwick, RI 02887

**MetLife**<sup>®</sup> Auto & Home

November 26, 2001

Mr. Ed Mimms  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

PAID T.R.A.	
Chk #	486068
Amount	4000.00
Rcvd By	JB
Date	11-27-01

RE: Docket No.: 01-00917

Dear Mr. Mimms:

This correspondence is written in response to your letter of November 15, 2001, wherein you provided the negotiated Settlement Agreement for our execution. Enclosed please find the same along with our check for \$4000.00, in anticipation that the Agreement is acceptable to your Board of Directors.

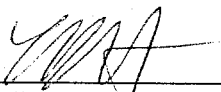
We look forward to hearing from you regarding the date of the conference during which the Directors will discuss this docket item so that we may have a designated representative available.

Please do not hesitate to contact me if you need further information.

Sincerely,

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

By:

  
Leslie A.E. Battle  
Counsel  
(401) 827-2379

Enclosures

Cc: Rhonda Lucas - Customer Complaint Unit, Dayton  
Sharon O'Connell - Office of the Secretary, Warwick  
Caren Schweidel - Law Department, New York

[a:/tntra.wpd]

# THE TENNESSEE REGULATORY AUTHORITY

## AT NASHVILLE, TENNESSEE

IN RE:

ALLEGED VIOLATIONS OF TENN.  
CODE ANN. §65-4-401 *et seq.*, DO-NOT-  
CALL SALES SOLICITATION LAW,  
AND RULES OF TENNESSEE  
REGULATORY AUTHORITY, CHAPTER  
1220-4-11, BY:

METROPOLITAN PROPERTY AND  
CASUALTY INSURANCE COMPANY

DOCKET NO. 01-00917

DO-NOT-CALL T01-00268  
PROGRAM T01-00544

FILE NUMBER NO. T01-00548

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### SETTLEMENT AGREEMENT

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This Settlement Agreement has been entered into between the Consumer Services Division ("CSD") of the Tennessee Regulatory Authority ("TRA") and Metropolitan Property and Casualty Insurance Company ("MetLife Auto & Home"). This Settlement Agreement is subject to the approval of the Directors of the TRA.

This Settlement Agreement pertains to three (3) complaints received by the CSD alleging that MetLife Auto & Home violated the Tennessee Do-Not-Call Telephone Sales Solicitation law, TENN. CODE ANN. § 65-4-404, and TENN. COMP. R. & REGS. 1220-4-11.07(1), by knowingly making or causing to be made telephone sales solicitation calls to residential subscribers in this state who had given timely and proper notice to the TRA of their objection to receiving telephone solicitations. A complaint filed with the CSD on May 1, 2001, alleges that the complainant, a person properly listed on the Do-Not-Call register, received a telephone solicitation from MetLife Auto & Home on April 23, 2001. The CSD provided MetLife Auto &

Home with notice of this complaint on May 2, 2001. The second complaint was filed with the CSD on September 19, 2001, by a person properly listed on the Do-Not-Call register who alleged that the unlawful telephone solicitation had occurred on September 10, 2001. The CSD provided MetLife Auto & Home with notice of this complaint on September 24, 2001. The CSD received the third complaint on September 26, 2001; which alleged that the telephone solicitation occurred on September 17, 2001. The CSD provided MetLife Auto & Home with notice of this complaint on September 26, 2001.

TENN. CODE ANN. § 65-4-405(f) authorizes the TRA to assess penalties for violations of the Tennessee Do-Not-Call statutes, including the issuance of a cease and desist order and the imposition of a civil penalty of up to a maximum of two thousand dollars (\$2,000) for each knowing violation. The maximum fine faced by MetLife Auto & Home in this proceeding is eight thousand dollars (\$8,000), arising from the three (3) telephone solicitations and the failure to register in the Do-Not-Call Program. CSD relied upon the factors stated in TENN. CODE ANN. § 65-4-116(b) during the negotiations that ~~which~~ resulted in this agreement, including MetLife Auto & Home's size, financial status, good faith, and the gravity of the violation.

MetLife Auto & Home is located in Warwick, Rhode Island with offices located throughout Tennessee. It employs approximately sixty-five (65) persons in the state of Tennessee. MetLife Auto & Home demonstrated good faith during the investigation of the complaints. After receiving notice of the complaints, MetLife Auto & Home immediately contacted the CSD and expressed an interest in settling this matter. Through its parent company, The Metropolitan Life Insurance Company, MetLife Auto & Home registered with the TRA as a telephone solicitor on June 11, 2001. During the investigation, MetLife Auto & Home informed

the CSD that all the complaints arose from the alleged acts of one agent located in Knoxville, Tennessee.

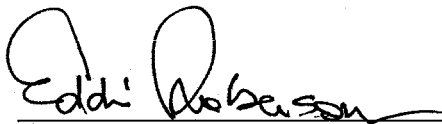
In an effort to resolve these complaints, represented by the file numbers above, CSD and MetLife Auto & Home agree to settle this matter based upon the following acknowledgements and terms subject to approval by the Directors of the TRA:

1. MetLife Auto & Home neither admits nor denies the allegations contained in the three (3) complaints.
2. MetLife Auto & Home has demonstrated a good faith effort to come into compliance with TENN. CODE ANN. § 65-4-404 and TENN. COMP. R. & REGS. 1220-4-11.07(1). After receiving notice of the complaints that are the subject of this agreement, counsel for MetLife Auto & Home acted in a very cooperative manner by contacting CSD and expressing an interest in settling the complaints. MetLife Auto & Home, through its parent company, registered with the TRA as a telephone solicitor on June 11, 2001 and receives a monthly copy of the Do-Not-Call register.
3. MetLife Auto & Home agrees to a settlement payment of four thousand dollars (\$4,000.00) for these complaints as authorized by TENN. CODE ANN. §65-4-405(f), and agrees to remit that amount to the TRA Office of the Executive Secretary within thirty (30) days from the date the Directors of the TRA approve this Settlement Agreement.<sup>1</sup> Upon payment of the amount of four thousand dollars (\$4,000.00) in compliance with the terms and conditions of this Settlement Agreement, MetLife Auto & Home is excused from further proceedings in this matter.

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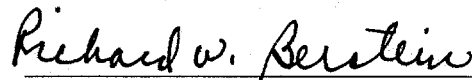
<sup>1</sup> The payment may be made in the form of a check, payable to the Tennessee Regulatory Authority, sent to 460 James Robertson Parkway, Nashville TN 37243, referencing TRA Docket Number 01-00917.

4. MetLife Auto & Home agrees to comply with all provisions of the Tennessee Do-Not-Call Telephone Sales Solicitation law and regulations.
5. MetLife Auto & Home agrees that a company representative will be available telephonically during the Authority Conference at which the Directors consider this Settlement Agreement.
6. In the event of any failure on the part of MetLife Auto & Home to comply with the terms and conditions of this agreement, the Authority reserves the right to re-open this docket for the prosecution of the three consumer complaints that are the basis of this docket. Any costs incurred in enforcing the Settlement Agreement shall be paid by MetLife Auto & Home.



Eddie Roberson  
Chief, Consumer Services Division  
Tennessee Regulatory Authority

4-28-01  
Date



Signature

Richard W. Bernstein

Print Name

Vice President, General Counsel and Secretary

Print Title

Metropolitan Property and Casualty  
Insurance Company

11/21/01  
Date